



# PUBLIC NOTICE

Federal Communications Commission  
445 12<sup>th</sup> Street, S.W.  
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**DA 05-3175**  
**Released: December 12, 2005**

**DOMESTIC SECTION 214 APPLICATION FILED FOR TRANSFER OF CONTROL  
OF STOCKHOLM-STRANDBURG TELEPHONE CO., FROM HAROLD NOWICK  
AND MARJORIE NOWICK TO INTERSTATE TELECOMMUNICATIONS  
COOPERATIVE, INC.**

**NON-STREAMLINED PLEADING CYCLE ESTABLISHED**

**WC Docket No. 05-335**

**Comments Due: December 26, 2005**  
**Reply Comments Due: January 2, 2006**

On November 29, 2005, Stockholm-Strandburg Telephone Co., (“SSTC”), Harold Nowick and Majorie Nowick (“Transferors”), and Interstate Telecommunications Cooperative, Inc. (“ITC” or “Transferee”) (collectively the “Applicants”), filed an application, pursuant to sections 63.03 and 63.04 of the Commission’s rules,<sup>1</sup> seeking authority to transfer control of Stockholm-Strandburg Telephone Co., from Harold Nowick, and Majorie Nowick to Interstate Telecommunications Cooperative, Inc.

Applicants seek streamlined treatment for this transaction on a case-by-case basis, as the transaction is not entitled to presumptive streamlined treatment under section 63.03(b)(2)(iii) of the Commission’s rules. Applicants are incumbent independent local exchange carriers (LECs) that have, in combination, fewer than 2% of the nation’s subscriber lines installed in the aggregate nationwide, and no overlapping service areas. There is a combined total of 16,613 access lines for the carriers involved in this transaction. However, the Applicants have contiguous service areas along approximately a 26.5-mile border among several of the exchanges at issue in this transaction.<sup>2</sup> Because the Applicants have adjacent service areas, this application is not subject to streamlined treatment.<sup>3</sup>

<sup>1</sup> 47 C.F.R. §§ 63.03, 63.04; *see* 47 U.S.C. § 214.

<sup>2</sup> The service areas of two of SSTC’s exchanges (Stockholm-Strandburg and Revillo) border the service areas of three of ITC’s exchanges (Goodwin, Clear Lake and Gary).

<sup>3</sup> *See* 47 C.F.R. §§ 63.03(b)(2)(iii) and 63.03(c)(1); *Implementation of Further Streamlining Measures for Domestic Section 214 Authorizations*, 17 FCC Rcd 5517, 5534 (2002), para. 32.

SSTC is a corporation organized under South Dakota law, and is an incumbent local exchange carrier that serves a single study area (Study Area No. 391679) consisting of three exchanges and approximately 722 total access lines: the Stockholm-Strandburg exchange (approximately 199 access lines), the South Shore exchange (approximately 191 access lines) and the Revillo exchange (approximately 332 access lines), all in northeastern South Dakota. SSTelcom, Inc. (“SSTI”), a wholly-owned subsidiary of SSTC, provides information and cable television services within SSTC’s service area and adjacent areas, none of which are within ITC’s service area. SSTI provides high-speed DSL Internet access to approximately 220 customers, and dial-up Internet access to approximately 162 customers.<sup>4</sup> SSTC currently owns a 1.19% equity interest in Express Communications, Inc. (“Express”), an interexchange carrier that is owned by twenty-eight South Dakota local exchange carriers. Express provides domestic and international long distance toll services to customers within the SSTC and ITC service areas. SSTC also currently holds a 1.07% equity interest in South Dakota Network, LLC (“SDN”), a limited liability corporation owned by twenty-eight South Dakota independent local exchange carriers that provides centralized equal access and transport services throughout various portions of rural South Dakota. SSTC has no other affiliates that provide telecommunications services.

ITC is a telecommunications cooperative corporation organized under South Dakota law. It is owned by its approximately 13,760 owner-members. No individual owner-member directly or indirectly owns or controls ten (10) percent or more of the equity of ITC. ITC provides local exchange and exchange access services to twenty-four exchanges (approximately 14,232 access lines) in eastern South Dakota, and to two exchanges (approximately 1,659 access lines) in southwestern Minnesota.<sup>5</sup> ITC Capital, Inc. (“ITCI”), a corporation organized under South Dakota law and a wholly-owned subsidiary of ITC, provides information and cable television services within ITC’s service area and adjacent areas, none of which are within SSTC’s service area. ITC provides high-speed DSL Internet access to approximately 1,559 customers, and dial-up Internet access to approximately 5,266 customers.<sup>6</sup> ITC holds a 0.82% equity interest in Onvoy, Inc., a Minnesota corporation that provides centralized equal access, transport, voice, data, videoconferencing and Internet services in Minnesota. ITC also currently owns a 7.64% equity interest in Express, as well as a 9.37% equity interest in SDN. ITC has no other affiliates that provide telecommunications services.

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<sup>4</sup> SSTI’s cable television service is offered in the communities of Stockholm, South Shore, LaBolt and Revillo within SSTC’s service area, and in the community of Milbank, South Dakota to the north of SSTC’s service area.

<sup>5</sup> ITC serves the Astoria, Bradley, Brandt, Brookings (rural), Bryant, Castlewood, Chester, Clark, Clear Lake, Elkton, Estelline, Florence, Gary, Goodwin, Hayti, Lake Norden, Nunda, Sinai, Toronto, Waubay, Webster, Wentworth, White and Willow Lake exchanges in eastern South Dakota; and the Hendricks and Lake Benton exchanges in southwestern Minnesota.

<sup>6</sup> ITC also provides cable television service in the communities of Astoria, Aurora, Bradley, Brandt, Bryant, Bushnell, Castlewood, Chester, Clark, Clear Lake, Elkton, Estelline, Florence, Gary, Goodwin, Hayti, Henry, Lake Norden, Nunda/Rutland, Raymond, Sinai, Toronto, Waubay, Webster, Wentworth, White and Willow Lake in eastern South Dakota, and Hendricks and Lake Benton in southwestern Minnesota.

The proposed transaction consists of the merger of ITCI into SSTC. In conjunction with this merger, all of the previously issued and outstanding shares of SSTC stock (66.0% of which are owned by Harold Nowick and Majorie Nowick) will be converted into the rights to receive the consideration for the merger, and the existing stock of ITCI will become the sole class of capital stock of SSTC. Following the merger, the separate corporate existence of ITCI will cease, and SSTC will be a wholly-owned subsidiary of ITC. When the proposed transaction is completed, control of SSTC will have been transferred from the Nowicks to ITC. SSTC will continue to provide domestic telecommunications services within its three South Dakota exchanges.

Applicants state that the proposed transaction will serve the public interest because it entails the transfer of control of a very small rural telephone company to a somewhat larger neighboring rural telephone cooperative. Applicants assert that they have long provided their rural customers with high quality, state-of-the-art communications services at affordable rates, and further that they will ensure that this record of service continues as the Nowick family moves on to other ventures.

## **GENERAL INFORMATION**

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a non-streamlined application. The Commission reserves the right to return any transfer of control application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to sections 1.415 and 1.419 of the Commission's rules, 47 CFR §§ 1.415, 1.419, interested parties may file **comments on or before December 26, 2005 and reply comments on or before January 2, 2006.**<sup>7</sup> Comments may be filed using: (1) the Commission's Electronic Comment Filing System (ECFS), (2) the Federal Government's eRulemaking Portal, or (3) by filing paper copies. *See Electronic Filing of Documents in Rulemaking Proceedings*, 63 FR 24121 (1998).

- Electronic Filers: Comments may be filed electronically using the Internet by accessing the ECFS: <http://www.fcc.gov/cgb/ecfs/> or the Federal eRulemaking Portal: <http://www.regulations.gov>. Filers should follow the instructions provided on the website for submitting comments.
- For ECFS filers, if multiple docket or rulemaking numbers appear in the caption of this proceeding, filers must transmit one electronic copy of the comments for each docket or rulemaking number referenced in the caption. In completing the transmittal screen, filers should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions, filers should send an e-mail to [ecfs@fcc.gov](mailto:ecfs@fcc.gov),

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<sup>7</sup> See 47 C.F.R. § 63.03(a).

and include the following words in the body of the message, “get form.” A sample form and directions will be sent in response.

- Paper Filers: Parties who choose to file by paper must file an original and four copies of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, filers must submit two additional copies for each additional docket or rulemaking number.

Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (although we continue to experience delays in receiving U.S. Postal Service mail). All filings must be addressed to the Commission’s Secretary, Office of the Secretary, Federal Communications Commission.

The Commission’s contractor will receive hand-delivered or messenger-delivered paper filings for the Commission’s Secretary at 236 Massachusetts Avenue, N.E., Suite 110, Washington, D.C. 20002. The filing hours at this location are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743. U.S. Postal Service first-class, Express, and Priority mail should be addressed to 445 12th Street, S.W., Washington D.C. 20554.

People with Disabilities: To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to [fcc504@fcc.gov](mailto:fcc504@fcc.gov) or call the Consumer & Governmental Affairs Bureau at 202-418-0530 (voice), 202-418-0432 (tty).

**You may submit comments, identified by the above noted docket number, by any of the following methods:**

- Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments.
- Federal Communications Commission’s Web Site: <http://www.fcc.gov/cgb/ecfs/>. Follow the instructions for submitting comments.
- People with Disabilities: Contact the FCC to request reasonable accommodations (accessible format documents, sign language interpreters, CART, etc.) by e-mail: [FCC504@fcc.gov](mailto:FCC504@fcc.gov) or phone: 202-418-0530 or TTY: 202-418-0432.

**In addition, one copy of each pleading must be sent to each of the following:**

- (1) The Commission’s duplicating contractor, Best Copy and Printing, Inc., 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554, [www.bcpweb.com](http://www.bcpweb.com); phone: (202) 488-5300 fax: (202) 488-5563;

- (2) Tracey Wilson-Parker, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C212, Washington, D.C. 20554; email: [tracey.wilson-parker@fcc.gov](mailto:tracey.wilson-parker@fcc.gov);
- (3) Alex Johns, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C317, Washington, D.C. 20554; e-mail: [alexis.johns@fcc.gov](mailto:alexis.johns@fcc.gov);
- (4) Susan O'Connell, Policy Division, International Bureau, 445 12th Street, S.W., Room 7-B544, Washington, D.C. 20554; email: [susan.o'connell@fcc.gov](mailto:susan.o'connell@fcc.gov); and
- (5) James Bird, Office of General Counsel, 445 12th Street, S.W., Room 8-C824, Washington, D.C. 20554; e-mail: [james.bird@fcc.gov](mailto:james.bird@fcc.gov).

Filings and comments are also available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554. They may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554, telephone: (202) 488-5300, fax: (202) 488-5563, or via e-mail [www.bcpweb.com](http://www.bcpweb.com).

For further information, please contact Tracey Wilson-Parker at (202) 418-1394, or Alex Johns at (202) 418-1167.

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